

APPROVED



**CITIZENS BOND REVIEW COMMISSION
HUMAN RESOURCES BUILDING, PINNACLE ROOM
7575 E. MAIN STREET
SCOTTSDALE, ARIZONA 85251
THURSDAY, JANUARY 10, 2002
5:00 PM**

MINUTES

PRESENT: Bernadette Phillips-Garcia, Chairman
Steven Sagert, Vice Chairman
Larry Beckner
Monyette Dunlap-Green
Thomas Lanin
William Magoon
Eric Schechter
Sue Sisley
Lee Tannenbaum
William Welch
Sam West

ABSENT: Lisa Samuel
James Britt
Gregg Maxon

STAFF: Judy Frost, Budget Director
Al Dreska, General Manager, Municipal Services Department
Craig Clifford, CFO
Roger Klingler, City Manager's Office
Jeff Nichols, CIP Coordinator
John Faramelli, Capital Projects Management Administrator

CALL TO ORDER

The regular meeting of the Scottsdale Citizens Bond Review Commission was called to order by Chairperson Phillips-Garcia at 5:05 p.m.

MINUTES APPROVAL

The minutes of the October 4, 2001 Meeting were reviewed. On motion made by Vice Chairman Sagert and seconded by Commissioner Lanin, the minutes were approved unanimously.

UNFINISHED BUSINESS FROM PREVIOUS MEETING

1. Revise Commission Bylaws

Chair Phillips-Garcia reminded the Commissioners that revision of the bylaws, Part II, Section 201, had been discussed at the October 4, 2001 meeting. The revision is as follows: (revisions indicated by strike-through and underline) Regular meetings of the Commission shall be held quarterly on the first Thursday of January, April, July, and October at 5:00 p.m. The Chair may reschedule a regular meeting when circumstances are believed to exist that would prevent a quorum. Meetings will be held at One Civic Center Conference Room, ~~7447 East Indian School Road, Scottsdale~~ or other designated location.

Commissioner Beckner moved to approve the changes. Vice Chairman Sagert seconded the motion, which was approved unanimously.

NEW BUSINESS

1. Review Bond Issuance/Tax Rate Schedule

Mr. Clifford advised the Commissioners that the first issuance of bonds, in the amount of \$28 million, is planned for April 2002. The 2001/02 budget assumed \$40 million in bonds would be issued, but the revised forecast based on current project status indicates the issuance of \$28 million will be sufficient to cover all expenditures planned through March 2003. He referred to the City of Scottsdale Property Tax Rate Schedule and the approved Bond Program 2000 Tax Rates, copies of which were distributed to the Commissioners. He explained that the City is seeking to bring forward and complete as many projects as possible, while staying within the approved financial guidelines.

Commissioner Lanin requested clarification as to whether the Commission was being asked to approve the budget or the individual changes in the projects. Mr. Clifford responded that staff was seeking approval for the City to issue the \$28 million worth of debt in April. Commissioner Lanin indicated some discomfort with the changes in dollar amounts for projects. Mr. Clifford added that debt is not issued per project, but for a variety of projects with different timelines, making a static representation of cash flow difficult.

Commissioner Lanin also inquired as to the Commission's charter with regard to approval of expenditures and cash flows. Commissioner Tannenbaum

commented that, in her opinion, it was the Commission's responsibility to make sure that dollars are not spent over and above what the voters approve.

Mr. Klingler observed that, technically, the Commission is not required to approve expenditures, cash flows, tax rates, nor bond sales, but that City Council had requested that the Commission be advised of proposed bond sales. He went on to add that, at the next Commission meeting, the Commissioners will review proposed timing changes related to various bond projects, some of which are delays. This additional information could eliminate some of the confusion as to the disparity in dollar amounts and timing.

Commissioner Welch commented that he would like to have seen the Property Tax Rate Schedule prior to the meeting. He also referred to the Bond 2000 & Capital Improvement Program booklet. He noted that it was very difficult to follow a project from month to month as there was no consistency in the order the projects were listed.

Vice Chairman Sagert moved to recommend to City Council the approval of the proposed revised bond issuance schedule and resulting estimated tax rates. Commissioner Sisley seconded the motion, which passed unanimously.

2. Budget Process Overview.

Ms. Frost distributed a handout outlining the 2002/2003 budget calendar. She reviewed the various stages in the budget process, noting that it takes approximately nine months to complete the entire process. She advised the Commission that staff would be submitting any proposed changes to the bond program to the Commission on April 4. She commented that there appear to be 12 to 15 projects that will be recommended for some type of rephrasing. Commissioner Welsh requested staff to provide those changes to the Commissioners before the April 4 meeting to allow for sufficient time to review the changes. Ms. Frost assured Commissioner Welch that the information would be provided with the meeting agenda.

Ms. Frost went on to explain that City Council will hold study sessions on both the operating and capital budgets, with tentative adoption scheduled for May 20, 2002, and final adoption June 3, 2002.

3. Election of Officers.

There was discussion as to the two-year term limit for the office of Chair and Vice Chair. It was agreed to discuss a by-law amendment at the next Commission meeting.

Vice Chair Sagert nominated Ms. Phillips-Garcia to serve as Chair of the Commission. Commissioner Welch seconded the nomination. The nomination of Ms. Phillips-Garcia was approved unanimously.

Chair Phillips-Garcia nominated Mr. Sagert for the Office of Vice-Chair. Commissioner Welch seconded the nomination, which was approved unanimously.

OPEN CALL TO THE PUBLIC

No public comments were forthcoming.

PRESIDING OFFICER'S SUMMARY OF CURRENT EVENTS

Chair Phillips-Garcia advised the Commission that the Mayor's State of the City address would take place at 6:00 p.m. at The Center for the Arts, and encouraged attendance by the Commissioners.

ADJOURNMENT

There being no further business pending before the Commission, being duly moved and seconded, the meeting was adjourned at 6:00 p.m.

Respectfully submitted,

"For the Record " Reporters